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FEBERAL MARITIME COMM



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August 6, 2003

Federal Maritime Commission 800 North Capitol Street Washington DC 20573 Attn: Hon. Steven R. Blust, Chairman

Re: UPS Application for Exemption

Dear Chairman Blust:

Univar USA supports the petition of UPS for an exemption under Section 16 of the Shipping Act of 1984 for the purpose of offering service contracts to its shippers.

Univar USA is engaged in chemical distribution. In our business we ship approximately 2000 containers of freight annually in international ocean commerce. Our freight consists mainly of full containers of various chemicals. Our shipments principally originate in China. Our most prominent destinations are Los Angeles, New York and Savannah. We have been a UPS shipper for approximately seven years.

It would be beneficial to us if UPS were able to offer service contracts, with confidential rates and enhanced service features customized to our particular needs. While UPS's existing services often present the best transportation solution, the ability to negotiate confidential rates for the ocean portion of our freight movements, coupled with UPS's end-to-end air or surface services in the USA, would enable us to get the most value for our shipping expenditures and enhance the specialized value-added features we could offer to our customers. This would allow us more flexibility in selecting suppliers and enable us to provide a more competitive product, This is very important to us in light of intense price and service pressure we face from our foreign competitors.

Accordingly, we support the UPS petition, and we request the Commission to grant it.

Sincerely yours,

Rod Nugent

Vice President